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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/036,415	01/07/2002	David Scrivano	71157-0032	4666
27572 7590 07/06/2007 HARNESS, DICKEY & PIERCE, P.L.C. P.O. BOX 828 BLOOMFIELD HILLS, MI 48303			EXAMINER ALVAREZ, RAQUEL	
			ART UNIT 3622	PAPER NUMBER
			MAIL DATE 07/06/2007	DELIVERY MODE PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/036,415

Applicant(s)

SCRIVANO ET AL.

Examiner

Raquel Alvarez

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 28 March 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-33 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-33 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____.

- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____.

DETAILED ACTION

1. This office action is in response to communication filed on 3/28/2007.
2. Claims 1-33 are presented for examination.

Claim Rejections - 35 USC § 101

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

the claimed invention is directed to non-statutory subject matter. The claims are directed towards a contract, contracts are patentable under 101. The claims are merely an owner of a business telling or negotiating a contract with a manager to run the business and setting aside some of the profit towards the purchase of the business.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-33 are rejected under 35 U.S.C. 103(a) as being unpatentable over publication by David Kovaka, titled "Plaza Personnel Bought After Gradual Changeover" hereinafter Kovaka in view of publication by Corey Rosen and Katherine Klein titled "Job-creating Performance of employee-owned Firms hereinafter Rosen.

Art Unit: 3622

With respect to claims 1, 11, 12, 14, 23, 25, 26, 30 and 33, Kovaka teaches selecting a candidate to serve as a manager of the business (i.e. selecting Cochran to serve as manager of the business)(page 1);

Setting a predetermined amount of time before the purchase can be made (i.e. Cochran works in the business for a period of time gaining experience before she could purchase the business)(page 1);

Setting the initial purchase price in advance of the purchase (i.e. the seller and buyer predetermined a purchase price for the business)(page 1).

With respect to allowing for the reduction of the initial purchase price fee based on discount earned during the predetermined amount of time, wherein the final purchase price is based on the initial purchase price minus the amount of discount earned. Rosen teaches on pages 16-17, the direct purchase plan and the idiosyncratic owners proclivity to rewards the manager by giving him stock (page 17, lines 1-4) therefore it would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included using the discounts or stocks or Rosen to reduce the price of Kovaka's purchase price in order to motivate the manager to make the purchase.

With respect to claims 2, 27-28, 31, Kovaka further teaches pre-qualifying financing on a purchase price before the predetermined amount to buy begins (page 2).

With respect to claims 3, 13, 15-16, 24, 31, Kovaka further teaches requiring to pay a deposit or meet certain cash flow expectations when making a purchase as security (page 2).

With respect to claims 4, 8-10, 20-21 Official Notice is taken that it is old and well known in certain position or profession for a person to receive salary and bonuses based on performance. For example insurance agents receive a salary plus commissions based on the amount of insurance policy sold. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included allowing a person to receive salary and bonuses based on performance in order to obtain the above mentioned advantage.

With respect to claims 5-8, 17, Official Notice is taken that it is old known to determine the value of a business based on the past annual sales because such a modification would allow to better estimate what the business is worth. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included the value of a business based on the past annual sales in order to obtain the above mentioned advantage.

Claim 18 is rejected under same rationale as above rejected claims 4 and 8-10.

Claim 19, is rejected under same rationale as above rejected claims 5-8 and 17.

Claim 20 is rejected under same rationale as above rejected claims 5-8 and 17.

With respect to claims 11-13, 22, Official Notice is taken that it is old and well known to set up a savings account and where the owner or seller can contribute and provides training and financing as an incentive for the buyer to make the purchase. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included setting up a savings account where the owner or seller can contribute and provide training and financing to the purchaser in order to motivate the purchaser to buy from the seller.

With respect to claim 29, Official Notice is taken that it is old and well known to allow a manager to own a business that is different from the one the manager has been employed to manage in order to provide the buyer with a broad training and opportunity to use the knowledge learned to own any kind of business. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included allowing a manager to own a business that is different from the one the manager has been employed to manage in order to obtain the above mentioned advantage.

Response to Arguments

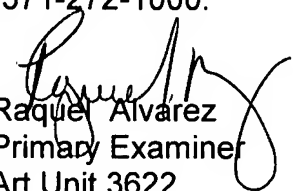
6. Applicant's arguments with respect to claims 1-33 have been considered but are moot in view of the new ground(s) of rejection.

Point of contact

7. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Raquel Alvarez whose telephone number is (571)272-6715. The examiner can normally be reached on 9:00-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric w. Stamber can be reached on (571)272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



Raquel Alvarez
Primary Examiner
Art Unit 3622

R.A.
6/15/2007